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NEWS RELEASE

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Alaska Division of Investments and Alaska Business Development Center Receive Prestigious Award

(Anchorage) – The Alaska Division of Investments and the Alaska Business Development Center recently received the prestigious 2004 Honorable Mention Partnership Award from the International Economic Development Council at its annual conference held in St. Louis.

The award recognized the Volunteer Tax and Loan Program, an extremely successful program involving a partnership between government, higher education, and the private sector. The VTLP program is a cooperative effort between the Department of Commerce's Division of Investments, ABDC, University of Alaska, IRS, and the private sector.

"The VTLP program offers a unique cultural experience and learning opportunity for college students, while benefiting rural communities because it provides taxpayers with information on their tax rights and responsibilities and helps them prepare and file tax returns," said Andrei Chakine, ABDC Program Director. "It also generates cash flow in the form of tax refunds, which directly impacts local economies."

The program, developed in 1996, is made up of senior level accounting students, UAA professors, and ABDC staff. These teams help local residents prepare and file personal income tax returns. In turn, the program can help residents retain fishing permits, remain eligible for low-interest state fishing loans or small business loans and grants. The program also offers basic record keeping advice and information on how to obtain financial assistance for fishing operations.

In 2004, the program assisted over 5,800 individuals by visiting 75 rural Alaska communities and assisting another 16 communities by mail. The total amount of money returned to these communities in the form of tax refunds exceeded \$ 3.1 million. According to IRS statistics, these refunds generated approximately \$20 million in economic activity in the Aleutians, Bristol Bay, Interior, Kodiak, Pribilofs, Yukon Delta, Northwest Arctic Boroughs, Southeast and Western Alaska. Over the life of the program, more than 20,400 Alaskans have received service.

"This program is a great example of how government, higher education and the private sector can work together to create a program that benefits everyone," said Division of Investments Director Greg Winegar. "It saves residents a tremendous amount of time and money by providing tax assistance that is not already available to them in their communities. We are very pleased with the program's achievements and will continue to support it."

Alaska Division of Investments and ABDC Collaborate to Receive Prestigious Award
Page 2

VTLP is built on volunteer work and community involvement, and is supported by local banks, businesses, CDQs, Native entities, IRS representatives, and government agencies. Through collaboration with UAA, University of Idaho, and Ithaca College of New York, accounting students get a chance to travel to rural Alaska and use their acquired knowledge to provide assistance to these local residents. Many students return in following years to lead new teams.

The VTLP has won two other national awards for excellence. The private sector provides financial support for the program including cash, transportation, meals and lodging.

For more information on this program contact Andrei Chakine at (907) 562-0335 or visit the Alaska Business Development Center's web site at <http://www.abdc.org/>.



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